

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION OF CARDINAL UTILITIES, INC.;)	
LARRAINE P. KIMBRELL; AND STEVE POPE)	
)	
<hr style="width:40%; margin-left:0"/>)	CASE NO. 90-189
)	
ALLEGED VIOLATIONS OF KRS CHAPTER 278)	

IN RE:

CARDINAL UTILITIES, INC.
PETITION OF NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

O R D E R

On August 13, 1990, the Public Service Commission received a petition from the Natural Resources and Environmental Protection Cabinet, In Re: Cardinal Utilities, Inc., which is attached hereto and marked as Exhibit A. The petition requests that the Public Service Commission find that Cardinal Utilities, Inc. ("Cardinal") is in default of the regulations and requirements of the Public Service Commission and the water quality statutes and regulations administered by the Natural Resources and Environmental Protection Cabinet. The petition further requests that the Public Service Commission make demand upon Irrevocable Letter of Credit No. 162 issued by Peoples First National Bank and Trust Company of Paducah, Kentucky, for and on behalf of the Natural Resources and Environmental Protection Cabinet so that the funds may be deposited with the Franklin Circuit Court Clerk in Civil Action

No. 89-CI-046, where the petitioner is seeking to have a receiver appointed to disburse available funds for the repair and maintenance of Cardinal. The Commission, on its own motion, consolidates the petition of the Natural Resources and Environmental Protection Cabinet with Commission Case No. 90-189, finding that the two actions involve common questions of law and fact.


IT IS THEREFORE ORDERED that:

1. The petition of the Natural Resources and Environmental Protection Cabinet styled In Re: Cardinal Utilities, Inc. is hereby consolidated with Case No. 90-189, Investigation of Cardinal Utilities, Inc.; Lorraine P. Kimbrell; and Steve Pope, Alleged Violations of KRS Chapter 278.

2. At the hearing scheduled for September 12, 1990, at 9:00 a.m., Cardinal Utilities, Inc., Steve Pope and Lorraine Kimbrell shall, in addition to the matters addressed in the Commission's Order dated July 9, 1990, be prepared to show cause: (a) why the transfer of the stock of Cardinal from Lorraine Kimbrell to Steve Pope should not be declared void and invalid for failure to obtain prior Commission approval as required by KRS 278.020; and (b) why the Public Service Commission should not make demand upon Irrevocable Letter of Credit No. 162 issued by Peoples First National Bank and Trust Company of Paducah, Kentucky, for default by Cardinal of the terms of said letter of credit.

Done at Frankfort, Kentucky, this 15th day of August, 1990.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

AUG 13 1990

PUBLIC SERVICE
COMMISSIONCOMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

IN RE: CARDINAL UTILITIES, INC.

CASE NO. _____

PETITION OF NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

* * * * *

Comes the Natural Resources and Environmental Protection Cabinet, by counsel, and respectfully requests the Public Service Commission find that Cardinal Utilities, Inc. is in default of the regulations and requirements of the Public Service Commission and the water quality statutes and regulations administered by the Natural Resources and Environmental Protection Cabinet. As grounds for its Motion, Petitioner states:

1. Ms. Lorraine P. Kimbrell, 901 North 32nd Street, Paducah, Kentucky 42001, incorporated Cardinal Utilities on or about November 22, 1985. (A copy of the Articles are incorporated herein and attached hereto as Petitioner's Exhibit 1.)

2. Cardinal Utilities pursuant to its articles of incorporation was incorporated to own and operate sewage treatment plants and any connection collection system in McCracken, Marshall and Graves counties of Kentucky.

3. Ms. Kimbrell was issued three hundred (300) share of stock in the Cardinal Utilities on November 26, 1985, and served as president of the corporation. (A copy of

Stock Certificate is incorporated herein and attached hereto as Petitioner's Exhibit 2.)

4. Pursuant to Public Service Commission rules and regulations, Ms. Kimbrell as president of Cardinal Utilities, made application on January 20, 1986 for a line of credit with Peoples First National Bank and Trust Company, Paducah, Kentucky. (A copy of the application is incorporated herein and attached hereto as Petitioner's Exhibit 3.)

5. Peoples First National Bank and Trust Company, Paducah, Kentucky, issued an Irrevocable Letter of Credit, No. 162, in the amount of ten thousand dollars (\$10,000) in favor of the Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky. (A copy of Irrevocable Letter of Credit No. 162 and supporting documents are incorporated herein and attached hereto as Petitioner's Exhibit 4.)

6. One of the conditions of the Irrevocable Letter of Credit, No. 162, which is valid from January 20, 1986, to January 20, 1991, is that Cardinal Utilities shall provide at all time adequate, safe and sanitary sewage collection, treatment and disposal service for all facilities in accordance with all applicable rules and regulations of the Commission and the Natural Resources and Environmental Protection Cabinet.

7. Further conditions of the letter of credit require that Cardinal Utilities shall remedy defaults in the sewage facilities and make repair necessary for the operation of

the systems pursuant to the Commission's requirements and any other governmental agencies having jurisdiction over the operation. The failure of Cardinal Utilities to remedy default within thirty (30) days after notice shall be a failure to remedy the default.

8. To the best of the Petitioner's information, knowledge and belief, the Public Service Commission has not granted approval of the stock transfer from Ms. Lorraine P. Kimbrell to any other person.

9. The Petitioner, Natural Resources and Environmental Protection Cabinet, filed an enforcement action against Cardinal Utilities, Inc., Lorraine P. Kimbrell, Steve Pope and Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Stop on January 11, 1989, in Franklin Circuit Court Civil Action No. 89-CI-0046. (A copy of the Complaint is incorporated herein and attached hereto as Petitioner's Exhibit 5.)

10. Following a hearing, the Franklin Circuit Court entered an Order on February 7, 1989, requiring Cardinal Utilities, Inc., Lorraine Kimbrell and Steve Pope to perform the repair and maintenance necessary to the six (6) facilities to ensure that the discharge is within KPDES permit limits on or before March 2, 1989. (A copy of the February 7, 1989 Order is incorporated herein and attached hereto as Petitioner's Exhibit 6.)

11. The Court in the February 7, 1989, Order entered a Temporary Injunction enjoining and prohibiting any

additional sewer connections in the areas served by Green Acres, Gateway, Blandville West, Fieldmont and Holifield Heights until further Orders of the Court. This Temporary Injunction is still in effect.

12. The Franklin Circuit Court entered an Order on March 30, 1990, requiring Steve Pope as the operator of the facilities to report all major malfunctions which occur at the six (6) wastewater treatment plants - Gateway, Golden Acres, Fieldmont, Green Acres, Blandville and Holifield Heights - to the Paducah Regional Office the day he discovers a malfunction or should he discover a malfunction in the evening, or on the holiday or weekend, he shall report the malfunction the next day the Paducah Regional Office is open. (A copy of the March 30, 1990 Order is incorporated herein and attached hereto as Petitioner's Exhibit 7.)

13. The Court further ordered that Steve Pope shall have forty-eight (48) hours to repair all malfunctions, including repairs to blowers or motors, except in extraordinary circumstances. Should he fail to repair the malfunction within forty-eight (48) hours, he shall be fined fifty dollars (\$50) per day for each day a malfunction continues.

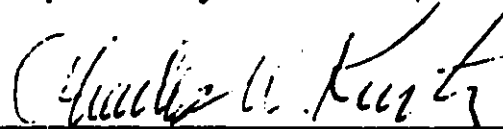
14. Inspectors from the Paducah Regional Office have made frequent inspections of the facilities and have cited Cardinal Utilities for numerous violations since the Franklin Circuit Court civil action has been filed.

15. Steve Pope, the operator of the systems and ostensibly the owner of the Cardinal Utilities, Inc., has failed and continues to refuse to report malfunctions to the Paducah Regional Office.

WHEREFORE, the Petitioner, Natural Resources and Environmental Protection Cabinet, respectfully petitions the Public Service Commission to issue a default citation to Cardinal Utilities, Inc., and Ms. Larraine P. Kimbrell.

Petitioner further requests that the Public Service Commission make demand upon Irrevocable Letter of Credit No. 162 issued by Peoples First National Bank and Trust Company of Paducah, Kentucky, for and on behalf of the Petitioner and further request the funds be deposited with the Franklin Circuit Court Clerk. Petitioner is seeking in its Civil Action No. 89-CI-0046 appointment of a receiver to disburse any funds available from the Letter of Credit for repair and maintenance of the six (6) systems which are not in operation or in an extremely poor state of repair.

Respectfully submitted,



CHARLES W. KURTZ
Natural Resources and
Environmental Protection Cabinet
Department of Law
Fifth Floor, Capital Plaza Tower
Frankfort, Kentucky 40601
(502) 564-5576

COUNSEL FOR PETITIONER

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing PETITION OF NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET was mailed, postage pre-paid, to the following this 9th day of August, 1990:

Hon. David Ullerich
P.O. Box 2522
Paducah, Kentucky 42002-2522

Cardinal Utilities, Inc.
P.O. Box 7766
Paducah, Kentucky 42002-7766

Mrs. Lorraine P. Kimbrell
901 North 32nd Street
Paducah, Kentucky 42002-0610

Steve Pope
901 North 32nd Street
Paducah, Kentucky 42002-0610

Hon. Jerry Wuetcher
Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, Kentucky 40602

Hon. Richard Lewis
1100 Main Street
P.O. Box 430
Benton, Kentucky 42025

Mr. Donald Elias
Purchase Area Development District
P.O. Box 588
U.S. Highway 45N
Mayfield, Kentucky 42066

Hon. Jeanne M. Box
Alagia, Day, Marshall, Mintmire & Chauvin
113 West Main Street
P.O. Drawer 1036
Frankfort, Kentucky 40602

Ms. Betty Erickson
Marshall County Health Department
307 East 12th Street
Benton, Kentucky 42025

Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, Kentucky 40602


Charles W. Kurtz

kak890

ARTICLES OF INCORPORATION
OF
CARDINAL UTILITIES, INC.

I

A corporation is hereby organized under the laws of
the Commonwealth of Kentucky, to be known as:

CARDINAL UTILITIES, INC.

II

The duration of this corporation shall be perpetual.

III

The purpose of the corporation shall be to engage in the
business to purchase, lease, construct, install, maintain, alter
and operate sewerage treatment plants and any connecting
collection systems, as may meet the requirements of the Public
Service Commission and such other appropriate agencies of
the Commonwealth of Kentucky having jurisdiction, Federal
Housing Administration, and Veterans Administration in McCracken,
Marshall and Graves Counties, Kentucky, and in such other
areas in the vicinity thereof; to acquire real estate
and necessary easements either by purchase, grant, lease, gift
or in any other manner for the installations and constructions
of sewerage treatment plants and collection systems for the
operation thereof; to collect such fees for its services as
may be approved by the Kentucky Public Service Commission;
to sell, lease, barter or grant tapping rights to persons
desiring to use the sewerage treatment systems thereof; to
terminate service to customers who fail to pay approved

Exhibit

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fees for authorized services; in the name of the corporation to encumber, mortgage, pledge, sell, lease, transfer and convey, real or personal property owned by the corporation; and generally to engage in, do and perform any act or enterprise connected therewith that a natural person might do.

IV

The authorized stock of this corporation shall consist of Two Thousand (2,000) shares of common stock of no-par value, with each share having equal voting rights.

V

The registered office of the corporation shall be 901 North 32nd Street, Paducah, Kentucky 42001. The registered agent of the corporation shall be Lorraine P. Kimbrell, whose address is 901 North 32nd Street, Paducah, Kentucky 42001.

VI

The number of directors consisting the initial Board of Directors shall be not less than one (1) nor more than three (3) as to be determined at the first meeting of the Incorporators, and the name and address of the person who is to serve as director until the first meeting of the shareholders or until her successors have been elected and qualify, is:

LARRAINE P. KIMBRELL
901 North 32nd Street
Paducah, Kentucky 42001

VII

The name and address of the Incorporator of this corporation is:

LARRAINE P. KIMBRELL
901 North 32nd Street
Paducah, Kentucky 42001

VIII

The authority to make by-laws should be vested in the Board of Directors and may be exercised by an affirmative vote of the majority of the duly elected directors, subject only to the power of the stockholders to change or repeal such by-laws by an affirmative vote of the majority of the stockholders.

IX

The Officers shall consist of a President, Vice President and Secretary-Treasurer and such other officers as may be provided by the by-laws from time to time, and all officers shall serve for such term as the by-laws may provide. There shall be no limitation on the number of offices to be held by any person. The Officers of the corporation shall exercise such powers as may be vested in them from time to time by the by-laws. The Officers of the corporation shall be elected by the Board of Directors until and unless a different provision is made for their election by the affirmative vote of a majority of the stockholders.

WITNESS the signature of the Incorporator at Paducah, Kentucky, this 22nd day of November, 1985.

LARRAINE P. KIMBRELL

STATE OF KENTUCKY)
) SS:
COUNTY OF McCRACKEN)

I, H. S. Melton, Jr., a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing Articles of Incorporation were signed before me by the Incorporator, Larraine P. Kimbrell, and who acknowledged her signature for the purpose of incorporating said business as

hereinabove stated.

WITNESS my hand and seal of office this 23rd Day
of November, 1985.

My Commission Expires: May 4, 1987.



NOTARY PUBLIC
STATE-AT-LARGE, KENTUCKY

This instrument prepared by
MELTON AND ULLERICH
Attorneys at Law
233 North Seventh Street
Paducah, Kentucky 40301

By 

INCORPORATED UNDER THE LAWS OF THE COMMONWEALTH OF KENTUCKY

CARDINAL TELETYPE, INC.

The Corporation is authorized to sell its shares without limitation

This Certificate that Lorraine P. Kimbrell *is the owner of*
*****THREE HUNDRED***** *fully paid and*
non-assessable Shares of the above Corporation transferable only on the
books of the Corporation by the holder hereof in person or by duly authorized
Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed
by its duly authorized officers and to be sealed with the Seal of the Corporation.
Dated November 28, 1985

Exhibit

EXCELLENCE LINGAL INC. P.O. BOX 4000 CHICAGO, IL 60680

FILED

January 20, 1986
(Date)

JAN 21 1986

PUBLIC SERVICE
COMMISSIONAPPLICATION FOR LETTER OF CREDIT
(Commercial Form)

Larraine Kimbrell, Pres. of Cardinal Utilities, Inc. hereby applies to Peoples First National Bank and Trust Company ("Bank") for an Irrevocable Letter of Credit in favor of Public Service Commission to be guaranteed by funds held at Bank in the following manner: under Commercial Loan commitment

up to the aggregate amount of \$ 10,000.00

The letter of credit shall be valid from January 20, 1986 to January 20, 1991. The applicant promises to execute the appropriate documents to pledge as security for this letter of credit arrangement the following described collateral:

N/A

This letter of credit shall be honored by Bank upon presentment to the Bank's authorized representatives of the following documentations from the beneficiary of this letter of credit:

Proof of Default or Failure to Remedy Default

The Bank may defer acceptance of the above stated documentary evidence until close of the 3rd banking day following receipt of the documents.

The applicant acknowledges that the Bank, upon issuance of the Letter of Credit, may honor the demands for payment by beneficiary upon proper presentment of the documentation described above. The Bank is under no obligation to inquire as to the legality or propriety of making any payment pursuant to said letter, and shall not be held responsible by the applicant, his heirs, successors and assigns for any payment made under said letter, so long as proper documentation has been presented to Bank in a timely fashion.

Authorized By:
(Two signatures required)

President

Title

Executive V. P.

Title

Cardinal Utilities, Inc.

Applicant

BY

Pres.

Larraine P. Kimbrell

901 North 32nd Street

Address

Exhibit

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or until the Public Service Commission notifies us that stock and assets have been transferred to a person or entity other than Larraine Kimbrell.



PHONE (502) 444-8371
Kentucky Avenue at Fourth
P O BOX 2200
PADUCAH, KENTUCKY 42001

FILED

JAN 21 1986

**PUBLIC SERVICE
COMMISSION**

Aubrey W. Lippert
Chairman of the Board
and
President

January 20, 1986

Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40601

Irrevocable Letter of Credit No. 162

Gentlemen:

We hereby establish our irrevocable letter of credit in your favor at the request of and for the account of Ms. Larraine Kimbrell, Paducah, Kentucky, President of Cardinal Utilities Company, up to the aggregate amount of Ten Thousand and 00/100 (\$10,000) U.S. Dollars, available to you by draft at sight drawn on us and accompanied by the original of this letter of credit and by an order of the Public Service Commission ("Commission") finding the following:

1. A material and continuing default by Cardinal Utilities Co. ("Cardinal") (a) to provide at all times adequate, safe and sanitary sewage collection, treatment and disposal service for all facilities in accordance with all applicable rules and regulations of the Commission and the Natural Resources and Environmental Protection Cabinet ("Cabinet"); (b) to maintain adequate records of any tests relating to the sewage facilities and to keep such records open to inspection by the Commission, the Cabinet and the ratepayers; or

Exhibit

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JAN 21 1986

**PUBLIC SERVICE
COMMISSION**

Public Service Commission
January 20, 1986
Page 2

(c) at its own cost and expense, to remedy defaults in the sewage facilities and make such adjustments, repairs, installations or improvements to the sewage facilities as may be reasonably necessary for the operation of the sewage facilities to conform its operations to the lawful and reasonable requirements of the Commission or any other governmental agency having jurisdiction over its operation (hereafter referred to individually or collectively as the "Default"); and

2. The failure of Cardinal to remedy the Default within 30 days after notice of the Default has been received by Cardinal from any ratepayer or the Commission (or two days in the event of a complete shutdown of the sewage facilities or the suspension of sewer services to the ratepayers of Cardinal), except in cases of disaster, war, riots, insurrection, labor troubles, strikes or other causes beyond the control of Cardinal (hereafter "Failure to Remedy the Default").

The commission will notify us when either:

1. The Commission has approved the transfer of the stock or assets of Cardinal to a person or entity other than Ms. Lorraine Kimbrell; or
2. The Commission has found a Default by Cardinal and Failure to Remedy the Default.

FILED

JAN 21 1986

**PUBLIC SERVICE
COMMISSION**

Public Service Commission
January 20, 1986
Page 3

The draft drawn under this credit must be marked: "Drawn under Peoples First National Bank & Trust Company Letter of Credit No. 162 dated January 20, 1986." We hereby agree with you that the draft drawn under and in compliance with the terms of this letter of credit shall be duly honored upon presentation to the drawee.

This letter of credit shall be valid until the earlier of (1) the approval by the Commission of the transfer of the stock or assets of Cardinal to a person or entity other than Ms. Lorraine Kimbrell, or (2) five years from the date hereof.

Very truly yours,

Peoples First National Bank &
Trust Company

BY: 
President

MELTON AND ULLERICH
233 North Seventh Street
Box 7406 - Arcadia Station
Paducah, Kentucky 42002-7406
302 / 442-5442

HERBERT N. MELTON, JR.
DAVID N. ULLERICH

January 20, 1986

FILED

JAN 21 1986

PUBLIC SERVICE
COMMISSION

Hon. Forest M. Skaggs, Secretary
Public Service Commission
730 Schenkel Lane
P. O. Box 615
Frankfort, Kentucky 40602

Re: Case No. 9480
Cardinal Utilities, Inc.

Dear Mr. Skaggs:

Enclosed is an original executed copy of a letter of credit by and between the Public Service Commission (the "Commission"), Cardinal Utilities, Inc. ("Cardinal"), and Peoples First National Bank & Trust Company of Paducah, Kentucky. This letter closely follows the Commission's "Sample Sewer Treatment Plant Third Party Agreement" (Revised 1-13-83), and we believe it satisfies the Commission's requirement of "evidence of financial integrity such as will insure the continuity of sewage service" found in 807 KAR 5:071, Section 3(1)(a). The letter of credit will be valid until the earlier of the transfer of the stock or assets of Cardinal to a person or entity other than Ms. Larraine Kimbrell, or five years from the date thereof. We believe that if Ms. Kimbrell does not possess the financial integrity required to own and operate Cardinal, this will be demonstrated within the next five years. In addition, we believe that Cardinal itself will be able to show the required financial integrity at the expiration of the five-year period.

We trust that the enclosed letter of credit completes the Commission's file in the above-referenced matter. If additional information is necessary, please telephone the undersigned at (502) 442-5442 as we are anxious to assist the Commission in resolving this matter. Thank you.

Very truly yours,

MELTON AND ULLERICH

H. S. Melton, Jr.
H. S. Melton, Jr.

HSM:jc
Enc.

ACCOUNT NO. 01-0408-6 NW 11/22/85
S.S. No. making application
S.S. No. Utilities
Date Opened _____
Closed By _____
Type of Account Cardinal
Address 801 North 32nd St. Paducah KY 42001
THE PEOPLES FIRST NATIONAL BANK & TRUST CO., PADUCAH, KY.

In receiving items for deposit or collection, this bank acts only as depositor's collecting agent and assumes no responsibility beyond the exercise of due care. All items are credited subject to final payment in cash or solvent credits. This bank will not be liable for default or negligence of its duly selected correspondents nor for items in transit, and each correspondent so selected shall not be liable except for its own negligence. This bank or its correspondents may send items, directly or indirectly, to any bank, including the payor, and accept its draft or credit as conditional payment in lieu of cash; it may charge back any item at any time before final payment, whether returned or not, also any item drawn on this bank not good at close of business on day deposited.

I hereby agree to the by-laws, rules and regulations of the above mentioned bank, governing deposits made in any department now and/or hereby created by this bank.

Under penalty of perjury, I (we) certify (1) that the number shown on this card is my (our) correct taxpayer identification number and (2) that I (we) are not subject to backup withholding, either because I (we) have not been notified of backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has determined that I (we) are no longer subject to backup withholding.

Authorized Signature

Authorized Signature

(over)

LOAN AGREEMENT

THIS LOAN AGREEMENT, made and entered into this 11th day of December, 1985, by and between Larraine P. Kimbrell, single, 901 North 32nd Street, Paducah, Kentucky 42001, (hereinafter referred to as "BORROWER"), and Peoples First National Bank and Trust Company, P.O. Box 2200, Paducah, Kentucky 42002-2200, (hereinafter referred to as Bank).

W I T N E S S E T H:

WHEREAS, Bank has loaned Borrower a certain sum of money as evidenced by a Promissory Note and Line of Credit Agreement from Borrower to Bank, dated May 25, 1985, in the principal sum of \$100,000.00; and

WHEREAS, as additional consideration for said Note and Line of Credit and in order to induce Bank to make such loans as called for in said Agreement, the parties hereto agree that the following terms and conditions shall remain in effect throughout the life of said Line of Credit and until such time as all funds advanced, pursuant to same, are paid in full;

NOW THEREFORE, it is agreed as follows:

1. That Borrower shall not encumber, mortgage, or cause liens to be placed against any real estate, now owned or hereafter acquired by her, which would encumber said real estate in excess of a total of \$50,000.00.
2. In the event of the failure of the Borrower to comply with any of the provisions of the Note, Line of Credit Agreement,

AND PROMISSORY DEMAND NOTE

\$ 100,000.00

Date Nov 25, 1985

Paducah, Kentucky

ON DEMAND and for value received, the undersigned (hereinafter called Borrower) jointly and severally promise to pay to the order of Peoples First National Bank & Trust Company, of Paducah, Kentucky (hereinafter called Bank), at its main office or any branch office, the sum of:

One Hundred Thousand & No/100 - - - - -

- - - - - (\$ *100,000.00*) DOLLARS,
together with interest at the per annum rate stated below, from the date hereof until fully paid. The Bank shall be entitled to \$10.00 in interest, in any event.

WHEREAS, the Bank is willing to make demand loans to Borrower from time to time, as long as the principal amount owed does not exceed the amount stated above, and

WHEREAS, such loaning of money, and subsequent repayment, and additional loaning of money will constitute many transactions, each of which could be represented by a separate promissory note to be executed and later cancelled, which execution and cancellation are inconvenient,

Borrower and the Bank agree as follows:

1. Whenever Borrower wishes the Bank to lend it more money, it may request same by any convenient means, including but not limited to, telephone, letter, or word of mouth, and the amount so requested will be deposited to Borrower's checking account.

2. All sums so deposited will be treated by the parties the same as if Borrower had executed and delivered to the Bank a promissory demand note payable by Borrower to the Bank in the amount of such deposit, dated on the date of such deposit, bearing interest at the rate on this note from the date thereof until paid. This agreement and note, together with records proving such deposits and records proving payment of such indebtedness, or part thereof, will have the same legal effect as if Borrower had executed such a note.

3. Borrower recognizes that the outstanding balance owed to the Bank may, from time to time, equal zero (\$00.00). The later extension of credit by the Bank to Borrower, under the terms of this agreement, shall not be construed as a novation or new note, but is and shall be an extension, renewal and continuation of the original loan agreement. By virtue of the continuing consideration of providing Borrower with a line of credit, a temporary zero balance shall not affect the validity of any mortgages, security interests or claims in Borrower's property which the Bank has as security for loans made under this agreement.

4. This agreement and note will expire in five years from this date. However, Borrower acknowledges that the Bank shall review this line of credit at least once each year within 60 days following Borrower's fiscal year-end. In order to facilitate this review, Borrower shall submit to Bank complete financial information as Bank requests.

5. Either Borrower or the Bank may cancel this agreement, prior to the expiration date, by sending written notice to the other at the address herein that it thereby consents same, but such cancellation shall not alter or affect Borrower's obligation previously assumed hereunder.

6. The interest rate on this note shall be 1.0 % in excess of the prime rate in effect from time to time at this Bank. The interest rate on this note on this date is 11.40 % per annum. The prime rate is the Bank's base rate of interest for short term (less than one (1) year) loans to its best and responsible borrowers and is the rate set by the Bank, from time to time, and used to establish the actual rate charged those borrowers whose loans bear interest at a rate relating to the prime rate. Prime rate does not mean that it is the best or lowest rate of interest that the Bank charges and the Bank may, in fact, make loans to other borrowers at a rate less than prime.

7. Any increase in the interest rate will take the form of higher interest payments.

8. This note, and all accrued interest thereon, is due and payable on the demand of the Bank. If not demanded sooner, all accrued interest shall be paid ☒ monthly or ☐ quarterly.

9. Notwithstanding Borrower's instructions to the contrary, all payments made on this note shall first be applied to the interest then due and the balance, if any, of such payments, shall be applied to reduce the principal.

20. Any property held by the Bank as collateral may at any time be changed or released by the Bank or substituted with other collateral acceptable to the Bank, without prejudice to the rights of the Bank against any party to this note. All parties hereto, whether makers, endorers, sureties, guarantors or otherwise concerned herein, hereby waive all acts on the part of the holder otherwise required in fixing the liability of sureties aforesaid, including among other things presentment, demand, notice of dishonor, protest, notice of nonpayment and all other notice and further waive all legal diligence to enforce collection. The Bank shall not be under obligation to exercise any of its rights hereunder, and no failure to do so or delay in doing so shall waive or impair its rights, or render the Bank in any way liable to anyone. The rights, remedies and any legal action specified are cumulative and do not exclude any rights, remedies or legal action which the Bank may otherwise have. In case this note shall be transferred, the transferee shall be entitled to all the rights secured to the Bank hereunder. In the event this note is referred to an attorney, not a salaried employee of the Bank, for collection, the Borrower will pay reasonable attorney's fees incurred by the Bank. In the event that the Bank obtains judgment against the Borrower, or any one or more of the Borrowers, said judgment shall bear interest at the same annual percentage rate as stated above. Any provision hereof which may prove unenforceable shall not effect the validity of any other provision of this contract. This obligation may not be assumed on its original terms.

21. Borrower shall be liable to the Bank for all court costs and reasonable attorney's fees associated with the collection of any deficiency against Borrower under the terms of this agreement.

22. This agreement and note shall be governed by the laws of the State of Kentucky.

PEOPLES FIRST NATIONAL
BANK & TRUST CO.

BORROWER

By *Carolyn H. Reed*
Vice President

[Signature]
Signature

Signature

Signature

P.O. Box 2300
Paducah, Ky. 42001

901 North 32nd
PADUCAH, KY 42001
Address

PEOPLES FIRST NATIONAL
PADUCAH, KENTUCKY 40001

11/12/56
LATE NOTICE
4 01 61 01

PRINCIPAL

INTEREST
488.05

ACCOUNT # NOTE DATE DUE DATE BALANCE
01-3493-7 11/25/85 11/05/56 62,030.50
3493-0

TOTAL
488.05

Ch 261
KIMBELL, LARRAINE
(LIVE OF CREDIT)
901 N 3RD ST
PADUCAH, KY 42001-4011

CR

NEXT MATURITY

RATE 9.50%
LATE NOTICE

STATE OF KENTUCKY
COUNTY OF MCCRACKEN

The foregoing Loan Agreement was acknowledged before me by
Lorraine P. Kimbrell on this the 11th day of December, 1985.
My commission expires: _____.

NOTARY PUBLIC, STATE AT LARGE

STATE OF KENTUCKY
COUNTY OF MCCRACKEN

The foregoing Loan Agreement was acknowledged before me by
Carolyn Reed, Vice-President, Peoples First National Bank and
Trust Company, on this the 11th day of December, 1985.
My commission expires: _____.

NOTARY PUBLIC, STATE AT LARGE

PREPARED BY:

TOM GARNETT, ATTORNEY AT LAW
801 CITIZENS BANK BUILDING
PADUCAH, KENTUCKY 42001

or of this Agreement, or in the event of the filing of a petition against Borrower by or with the consent of Borrower under any bankruptcy, insolvency or reorganization law, or in the event of the appointment of a receiver or trustee, or in the event of an assignment by the Borrower for the benefit of creditors, then and in any such event, all indebtedness owed by Borrower to Bank shall, at the option of Bank, become immediately due and payable and the Borrower shall be considered as in default.

3. This Agreement may be modified or amended only in writing executed by all parties hereto.


4. This Agreement shall be binding on the parties, their heirs, executors, and administrators, successors and assigns.

IN WITNESS WHEREOF, this Agreement was executed on the date and year first above written.

BORROWER

LANNAYNE F. KIMBELL

PEOPLES FIRST NATIONAL BANK
AND TRUST COMPANY

BY: 
CAROLYN REED, VICE-PRESIDENT

ASSIGNMENT OF SUBSCRIPTION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, hereby sells, transfers and assigns unto

STEVE POPE.

all his right, title and interest in and to the subscription for stock in 100 Shares of no-par common of Cardinal Utilities, Inc.

a corporation organized under the laws of the State of Kentucky and hereby authorizes, requests and directs said corporation to issue a certificate or certificates for the said shares in the name of and to Steve Pope or such other person as he may order, upon payment by him of the amounts due on the said subscription and compliance with the other terms and conditions of said subscription.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 26th day of November 19 85

Witness:

LARRAINE P. KIMBELL

ASSIGNMENT OF SUBSCRIPTION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, hereby sells, transfers and assigns unto

JAN BRANDSTETTER

all his right, title and interest in and to the subscription for stock in 100 Shares of no-par common of Cardinal Utilities, Inc.

a corporation organized under the laws of the State of and hereby authorizes, requests and directs said corporation to issue a certificate or certificates for the said shares in the name of and to Jan Brandstetter or such other person as he may order, upon payment by him of the amounts due on the said subscription and compliance with the other terms and conditions of said subscription.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 26th day of November 19 85

Witness:

LARRAINE P. KIMBELL

ASSIGNMENT OF SUBSCRIPTION

KNOW ALL MEN BY THESE PRESENTS, that the undersigned in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, hereby sells, transfers and assigns unto

all his right, title and interest in and to the subscription for stock in

a corporation organized under the laws of the State of and hereby authorizes, requests and directs said corporation to issue a certificate or certificates for the said shares in the name of and to or such other person as he may order, upon payment by him of the amounts due on the said subscription and compliance with the other terms and conditions of said subscription.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 19 day of

Witness:

assignment

CARDINAL UTILITIES, INC.

P.O. BOX 7766

PADUCAH, KENTUCKY 42001

Repairs to be made to plants to bring up to Public Service
Commission Regulations:

Hollifield Heights

pump and clean	175.00	
airators	78.00	
refinish concrete	120.00	
comminutor	2,500.00	
labor	360.00	
		3,228.00

Fieldmont

pump and clean	510.00	
comminutor repair	500.00	
new fence	390.00	
roof on building	100.00	
gravel	510.00	
labor	360.00	
		2,370.00

Golden Acres

airators	234.00	
pump and clean	425.00	
fence repair	530.00	
gravel	510.00	
comminutor repair	500.00	
chlorine box repair	150.00	
labor	720.00	
		3,069.00

Green Acres

pump and clean	500.00	
replace air lines	400.00	
airators	208.00	
hangers	112.00	
comminutor repair	549.00	
valves	123.75	
fencing	780.00	
gravel	255.00	
labor	1,200.00	
		4,127.75

Blandville West

pump and clean	170.00	
gravel	85.00	
comminutor (new)	2,500.00	
pipng	400.00	
airators	130.00	
valves	123.75	
ware trough	300.00	
labor	720.00	

TOTAL4,428.75817,223.50

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
CIVIL ACTION NO. 89 CI 0046
DIVISION NO. 14

COMMONWEALTH OF KENTUCKY,
NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

PLAINTIFF

VS.

NOTICE AND MOTION FOR
INJUNCTIVE RELIEF

FILED

JAN 11 1989

CARDINAL UTILITIES, INC.,
LORAINNE P. KIMBRELL
STEVE POPE
JIFFY MART FINE FOODS, INC.,
d/b/a SOUTHERN PRIDE TRUCK PLAZA

FRANKLIN CIRCUIT COURT
JAMES MARSHALL, CLERK
DEFENDANTS

NOTICE

The Defendants will please take notice that the following Motion for Injunctive Relief will be brought on for hearing before the Franklin Circuit Court on the 31st day of January, 1989, at 10:00 a.m. or as soon thereafter as counsel may be heard, at the Franklin Circuit Courthouse, 218 St. Clair Street, Frankfort, Kentucky 40601.

MOTION

Plaintiff, Commonwealth of Kentucky, Natural Resources and Environmental Protection Cabinet, by counsel, moves this Court to grant injunctive relief in the above-styled action on the grounds that the Plaintiff's rights are being violated by the Defendants, and the Plaintiff will suffer immediate and irreparable injury pending a final judgment in this action as is clearly demonstrated by the Verified Complaint filed with the Circuit Court Clerk in this action, and as will be demonstrated by the evidence presented at a hearing on this Motion.

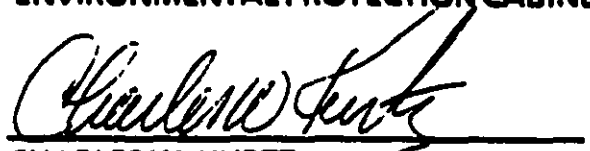
Exhibit

5

Plaintiff prays that the injunctive relief include provisions enjoining the Defendants herein, their officers, agents, employees, and all other persons acting in concert with the Defendants from discharging or allowing the discharge of untreated wastewater into the waters of the Commonwealth.

Plaintiff further prays that the court enjoin Defendants, Cardinal Utilities, Inc., Lorainne P. Kimbrell and Steve Pope, from allowing additional sewer connections to the systems serving Green Acres, Gateway, Blandville, Fieldmont and Holifield subdivisions.

NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

A handwritten signature in cursive script, appearing to read "Charles W. Kurtz", is written over a horizontal line.

CHARLES W. KURTZ
Department of Law
Fifth Floor, Capital Plaza Tower
Frankfort, Kentucky 40601
(502) 564-5576

COUNSEL FOR PLAINTIFF

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing NOTICE AND MOTION FOR INJUNCTIVE RELIEF was mailed, postage pre-paid, to the following this the 11th day of January, 1989:

Steve Pope, Process Agent
Cardinal Utilities, Inc.
P.O. Box 7766
Paducah, Kentucky 42002-7766

Ms. Lorainne P. Kimbrell
901 North 32nd Street
Paducah, Kentucky 42001

Steve Pope
901 North 32nd Street
Paducah, Kentucky 42002-0610

Joe L. Wallace
Process Agent
Jiffy Mart Fine Foods, Inc.
Route 1, Massac Church Road
Paducah, Kentucky 42001


Charles W. Kurtz

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
CIVIL ACTION NO.
DIVISION NO. ~~4~~ 89 C I 0046

COMMONWEALTH OF KENTUCKY,
NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

PLAINTIFF

VS.

VERIFIED COMPLAINT

FILED

CARDINAL UTILITIES, INC.,
LORAINNE P. KIMBRELL, STEVE POPE, and
JIFFY MART FINE FOODS, INC., d/b/a
SOUTHERN PRIDE TRUCK PLAZA

JAN 11 1990

FRANKLIN CIRCUIT COURT
JAMES W. MARSHALL, CLERK
DEFENDANTS

* * * * *

Comes the Plaintiff, Commonwealth of Kentucky, Natural Resources and Environmental Protection Cabinet, by counsel, and for its Verified Complaint and request for injunctive relief against the Defendants, states as follows:

1. The Plaintiff, Commonwealth of Kentucky, Natural Resources and Environmental Protection Cabinet (hereinafter referred to as the Cabinet), is charged with the statutory duty of enforcing the laws of the Commonwealth relating to water quality and pollution as set forth in Kentucky Revised Statutes (KRS) Chapter 224 and the regulations promulgated pursuant thereto.

2. The Franklin Circuit Court has jurisdiction to hear the injunctive relief requested pursuant to KRS 224.995.

3. Each of the above named Defendants, Cardinal Utilities, Inc., Lorainne P. Kimbrell, Steve Pope, and Jiffy

Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, are a "person" as defined in KRS 224.005(12).

4. At all times pertinent and material to this Verified Complaint and request for injunctive relief, Lorainne P. Kimbrell, Steve Pope and Cardinal Utilities, Inc., operated sewage treatment facilities serving Fieldmont Subdivision, Green Acres Subdivision and Blandville West Subdivision, all in McCracken County, Kentucky; Golden Acres Subdivision and Gateway Subdivision in Marshall County, Kentucky; and Holifield Heights Subdivision, in Graves County, Kentucky.

5. At all times pertinent and material to this Verified Complaint, Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, operated in McCracken County, Kentucky, and discharged wastewater into the Fieldmont Sewage Treatment Facility operated by Cardinal Utilities, Inc.

6. On or about October 12, 1987, an authorized agent of the Cabinet issued to Cardinal Utilities, Inc., a notice of violation for environmental violations at the Gateway Subdivision in Marshall County, Kentucky. Violations cited included degradation of the surface waters of the Commonwealth, 401 KAR 5:031; failure to report a spill or by-pass, 401 KAR 5:015; failure to apply secondary treatment to effluent, 401 KAR 5:035; and violation of the conditions of KPDES Permit No. KY 0044181.

7. On or about November 18, 1987, an authorized agent of the Cabinet issued to Cardinal Utilities, Inc., a notice of violation for violations at Green Acres Subdivision in McCracken County. The Defendant was cited for allowing the effluent to exceed permit limits.

8. On or about August 14, 1987, an authorized agent of the Cabinet issued to Cardinal Utilities, Inc., a notice of violation for violations at Fieldmont Subdivision in McCracken County. Violations cited included failure to meet limits of KPDES Permit No. KY 0058971.

9. The Cabinet alleges that Lorainne P. Kimbrell and Steve Pope, as owners and operators, of the six wastewater treatment facilities in the Cardinal Utilities, Inc. group have failed to maintain and operate the facilities pursuant to KRS Chapter 224 and the Kentucky Administrative Regulations.

10. Periodic inspections made by the Cabinet at the wastewater treatment plants serving Holifield Heights Subdivision, Gateway Subdivision, Golden Acres Subdivision, Blandville West Subdivision, Green Acres Subdivision and Fieldmont Subdivision show that each and every one of the facilities is discharging untreated wastewater into the waters of the Commonwealth.

11. Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, discharges sanitary wastewater from the Truck

Plaza into the Fieldmont Subdivision, a discharge plant owned by Cardinal Utilities, Inc.

12. On or about June 26, 1987, the Cabinet issued to Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, a notice of violation which alleged that the Defendant had violated 401 KAR 5:005, construction of wastewater lines without Division of Water approval; and 401 KAR 5:031, polluting the waterways of the Commonwealth.

13. On or about August 19, 1987, the Cabinet issued to Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, a notice of violation which alleged that the Defendant had violated 401 KAR 5:005, failure to submit plans to the Division of Water; and 401 KAR 5:031, pollution of streams of the Commonwealth by way of Fieldmont Subdivision wastewater treatment facility.

14. On or about October 28, 1987, the Cabinet issued to Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, a notice of violation which alleged that the Defendant had violated KRS 224.060, indirectly discharging pollutants into the waterways of the Commonwealth.

15. The aforementioned acts and omissions of the named Defendants constitute violations of KRS Chapter 224 and the regulations promulgated pursuant thereto.

16. The Defendants herein are subject to injunctive relief sought by the Cabinet pursuant to KRS 224.995 for violations of KRS Chapter 224.

WHEREFORE, the Plaintiff respectfully prays:

- 1. That the Defendants be adjudged in violation of the applicable provisions of KRS Chapter 224 and the regulations promulgated pursuant thereto.**
- 2. That the Defendants be assessed a civil penalty in the amount of ten thousand dollars (\$10,000) per day for each violation of KRS Chapter 224.**
- 3. That Cardinal Utilities, Inc., Lorraine P. Kimbrell and Steve Pope, be temporary and permanently enjoined from continuing the discharge of untreated wastewater from the treatment facilities serving Fieldmont Subdivision, Green Acres Subdivision, Blandville West Subdivision, Golden Acres Subdivision, Gateway Subdivision and Holifield Heights Subdivision.**
- 4. That Lorraine P. Kimbrell, Steve Pope and Cardinal Utilities, Inc. be enjoined from failing to forthwith bring each and every one of their wastewater treatment facilities into compliance with the KPDES permit limits.**
- 5. That the Court impose a tap on ban prohibiting additional sewer connections in the systems serving Green Acres Subdivision, Gatewood Subdivision, Blandville West Subdivision, Fieldmont Subdivision and Holifield Heights Subdivision.**
- 6. That Jiffy Mart Fine Foods, Inc., d/b/a Southern Pride Truck Plaza, be ordered to perform all remedial**

measures that are deemed necessary by the Cabinet to abate the violations cited above.

7. That the Cabinet be awarded each and every item of relief to which it may appear entitled.

NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

A handwritten signature in dark ink, appearing to read "Charles W. Kurtz", is written over a horizontal line.

CHARLES W. KURTZ
Department of Law
Fifth Floor, Capital Plaza Tower
Frankfort, Kentucky 40601
(502) 564-5576

COUNSEL FOR PLAINTIFF

VERIFICATION

I, Nancy Fouser, Acting Manager, Enforcement/Compliance Branch, Division of Water, Department for Environmental Protection, Natural Resources and Environmental Protection Cabinet, have read the foregoing Verified Complaint, and verify that all the allegations contained therein are true and correct to the best of my knowledge and belief.

**NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET**


**NANCY FOUSER, ACTING MANAGER
ENFORCEMENT/COMPLIANCE BRANCH**

Subscribed and sworn to before me by Nancy Fouser, this the 10th day
of January, 1989.



NOTARY PUBLIC

My Commission Expires: September 27, 1990

FILED

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
CIVIL ACTION NO. 89-CI-0046
DIVISION NO. II

FRANKLIN CIRCUIT COURT
JANICE MARSHALL, CLERK

COMMONWEALTH OF KENTUCKY,
NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

PLAINTIFF

VS.

ORDER

CARDINAL UTILITIES, INC.
LORRAINE P. KIMBRELL,
STEVE POPE,
JIFFY MART FINE FOODS, INC.
d/b/a SOUTHERN PRIDE TRUCK PLAZA

DEFENDANT

* * * * *

This matter came on to be heard on January 31, 1989, on the Plaintiff's motion for injunctive relief. The parties were present with counsel and were heard.

The Parties agree and present to the Court that the six (6) sewage treatment facilities operated by Defendants, Cardinal Utilities, Inc., Lorraine P. Kimbrell and Steve Pope, serving Fieldmont Subdivision, Green Acres Subdivision and Blandville West Subdivision, McCracken County, Golden Acres Subdivision and Gateway Subdivision, Marshall County, and Holifield Heights, Graves County, are discharging inadequately treated wastewater into the waters of the Commonwealth of Kentucky.

Exhibit

6

The parties further agree that the discharge from the six (6) facilities exceeds Kentucky Pollutant Discharge Elimination System (KPDES) permit limits and there have been no discharge monitoring reports filed for the facilities for the third quarter of 1988.

The Court being sufficiently advised:

ORDERS Cardinal Utilities, Inc., Lorraine Kimbrell and Steve Pope, to perform the repair and maintenance necessary to the six (6) facilities to ensure that the discharge is within KPDES permit limits on or before March 2, 1989.

The Court hereby issues a Temporary Injunction enjoining and prohibiting any additional sewer connections in the areas served by Green Acres, Gateway, Blandville West, Fieldmont and Holifield Heights until further Orders of this Court.

IT IS FURTHER ORDERED that Cardinal Utilities, Steve Pope, and Lorraine Kimbrell shall perform all repair and maintenance necessary at the six (6) facilities to ensure that there are no future spills or discharges of untreated wastewater from the facilities into the waters of the Commonwealth and Defendants are ordered to sample and submit discharge monitoring reports as required by the KPDES permits.


All matters included in the Verified Complaint, Defendants' Answer, Counterclaim and Crossclaim not

addressed in this Order are reserved for future adjudication by this Court.


Judge, Franklin Circuit Court

AGREED TO:

David K. Ullerich
233 North Seventh Street
Paducah, Kentucky 42001


Charles W. Kurtz
Department of Law
Fifth Floor, Capital Plaza Tower
Frankfort, Kentucky 40601

jac289

COMMONWEALTH OF KENTUCKY
FRANKLIN CIRCUIT COURT
CIVIL ACTION NO. 89-CI-0046
DIVISION NO. II

COMMONWEALTH OF KENTUCKY,
NATURAL RESOURCES AND
ENVIRONMENTAL PROTECTION CABINET

PLAINTIFF

VS.

ORDER

CARDINAL UTILITIES, INC., et al.

FILED
MAR 1 1990
DEFENDANTS
L. GLENN

This matter came on to be heard March 27, 1990, on the Plaintiff's Motion for Contempt. The parties were present, by counsel, and were heard. The Court being sufficiently advised finds that Defendant, Cardinal Utilities, Inc., and Steve Pope, are not at this time in contempt.

The Court **ORDERS** that Steve Pope, as president of Cardinal Utilities, Inc., and as the operator of the facilities shall report all major malfunctions which occur at the six (6) wastewater treatment plants -- Gateway, Golden Acres, Fieldmont, Green Acres, Blandville and Holifield Heights -- to the Paducah Regional Office the day he discovers a malfunction or should he discover a malfunction in the evening, or on a holiday or weekend, he shall report the malfunction the next day the Paducah Regional Office is open.

The Court **FURTHER ORDERS** that Steve Pope shall have forty-eight (48) hours to repair all malfunctions, including repairs to blowers or motors, except in extraordinary circumstances. Should he fail to repair the malfunction within forty-eight (48) hours, he shall be fined fifty dollars (\$50) per day for each day a malfunction continues.

Exhibit

7

IT IS FURTHER ORDERED that Steve Pope shall have a laboratory sample the discharge from the six (6) facilities -- Gateway, Golden Acres, Fieldmont, Green Acres, Blandville and Holifield Heights -- and file the analysis on Discharge Monitoring Reports to the Division of Water monthly starting with March of 1990. The Discharge Monitoring Reports shall be filed with the Division of Water on the tenth day following the month the discharge samples are gathered.

The Temporary Injunction entered February 7, 1989, enjoining and prohibiting any additional sewer connections in areas served by Green Acres, Gateway, Blandville West, Fieldmont and Holifield Heights shall remain in effect until further order of this Court.


JUDGE, FRANKLIN CIRCUIT COURT

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